IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

TUTOR PERINI BUILDING CORP., Plaintiff, v. JANGHO CURTAIN WALL AMERICAS CO., LTD.; ELICC AMERICAS CORPORATION; ETHAN LI; THE INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA, Defendants.	)	CIVIL ACTION CASE NO. _______________ **JURY TRIAL DEMANDED**

COMPLAINT

Plaintiff, Tutor Perini Building Corp. ("TPBC"), by and through its counsel Dingess, Foster, Luciana, Davidson & Chleboski, LLP, files this Complaint, alleging as follows:

I. INTRODUCTION

1. This lawsuit relates to the construction of the Chestnut Street Tower, a 481,000 square foot 34-story, 850-bed student housing facility at 30th and Chestnut Streets in Philadelphia, Pennsylvania (the "Project").

2. TPBC entered into a subcontract with curtain wall manufacturer and fabricator Jangho Curtain Wall Americas Co., Ltd. ("Jangho") dated December 28, 2012 to perform the Project curtain wall work for the original "total firm price" of $21 million (the "Subcontract"). However, Jangho failed to properly perform and complete the Project, committed material breaches and defaults on the Project and, ultimately, abandoned the Project, which required TPBC to notify Jangho's bonding company and to terminate the Subcontract, and caused TPBC to incur substantial damages. Shortly after termination, Jangho shut down its business and the

Chief Executive Officer of Jangho started another curtain wall manufacturing and fabricating company using the same United States address.

3. As a result of Jangho's material breach of the Subcontract, TPBC has incurred damages in excess of $5.7 million. In addition, other subcontractors on the Project have asserted claims in excess of $6.1 million against TPBC arising out of Jangho's delays and disruptions on the Project.

II. PARTIES

4. TPBC is an Arizona corporation with its principal place of business at 5055 East Washington Street, Suite 210, Phoenix, Arizona 85034.

5. Jangho is a Nevada corporation with an address at 2181 Meyers Avenue, Suite C, Escondido, California 92029.

6. Elicc Americas Corporation ("Elicc") is a Nevada corporation with an address at 2181 Meyers Avenue, Suite C, Escondido, California 92029.

7. Upon information and belief, Ethan Li is an individual who is domiciled in Nevada and resides at 8179 Maitai Avenue, Las Vegas, Nevada 89147.

8. The Insurance Company of the State of Pennsylvania ("AIG") is an Illinois corporation with an address at 175 Water Street, 18th Floor, New York, New York 10038.

III. JURISDICTION AND VENUE

9. This Court has diversity jurisdiction over this matter pursuant to 28 U.S.C. § 1332(a)(1) because this action is a dispute between citizens of different states and the amount in controversy exceeds $75,000.00.

10. Venue is proper pursuant to 28 U.S.C. § 1391(a)(1) and/or 1391(a)(2) because a substantial portion of the events giving rise to this lawsuit occurred in this district and the dispute is governed by the laws of the Commonwealth of Pennsylvania.

IV. FACTUAL BACKGROUND

11. TPBC is a wholly-owned subsidiary of Tutor Perini Corporation that provides preconstruction, construction and post-construction services throughout United States, including Philadelphia, Pennsylvania.

12. TPBC self-performs much of its own work for owners, but also partners with qualified local subcontractors and local experts in mechanical, electrical, HVAC, plumbing disciplines, site development, excavation and specialized foundations. Many owners also require TPBC to provide surety bonds for payment and labor.

A. Chestnut Street Project

13. TPBC entered into contract with Campus Crest of Philadelphia, GP dated October 22, 2012 to act as construction manager on the Project.

14. As construction manager, TPBC solicited contractors to perform, among other things, the fabrication and installation of the curtain wall, which is a thin, aluminum-framed wall, containing in-fills of glass attached to the building structure.

B. Jangho's Proposal and Subcontract

15. Li is the founder Jangho. He is also the Chief Executive Officer, President, Secretary, Treasurer, Director and Registered Agent for Jangho. Li and Jangho represented that it had ties to curtain wall companies in China, Canada, the United States and Mexico.

16. Starting in October 2012, TPBC and Jangho entered into discussions regarding the curtain wall work on the Project and Jangho submitted a proposal for the curtain wall work. Discussions continued through December 2012.

17. Jangho and Li represented that Jangho's parent corporation was Beijing Jangho Curtain Wall Co., Ltd. ("Beijing Curtain Wall"). Therefore, TPBC requested that Jangho submit a "Parental Guarantee" from its parent corporation.

18. Jangho provided the Parental Guarantee to TPBC that identified Beijing Curtain Wall as the parent corporation of Jangho. The Parental Guarantee naming Jangho's parent corporation, Beijing Curtain Wall, as the obligor was incorporated into the Subcontract and attached as Exhibit G to the Subcontract.

19. The Parental Guarantee required Beijing Curtain Wall to cover all of Jangho's debts and financials obligations under the Subcontract and all of Jangho's fulfillment or performances of the terms under the Subcontract. TPBC relied upon Jangho and Li's representation that Beijing Curtain Wall was Jangho's parent and that Beijing Curtain Wall would guarantee Jangho's obligations and performance under the Subcontract.

20. Jangho represented that Jangho would be subcontracting with Union County Plate Glass Company ("Union County Plate Glass"), a U.S. based metal and glass fabricator, to provide field installation of the curtain wall under Jangho's supervision.

21. Jangho also represented that Jangho would manufacture the curtain wall components in a specific factory in China. These representations were made to both Jangho and the owner of the Project.

22. On January 8, 2013, Li signed the Subcontract on behalf of Jangho. Pursuant to the Subcontract, Jangho agreed to perform the Project curtain wall work for the original "total firm price" of $21 million.

C. Jangho's Subcontract Defaults

1. Failure to Provide Parental Guarantee

23. On December 19, 2012, prior to executing the Subcontract, Rebecca Lang (Jangho's Accounting Manager) asked Li if the Parental Guarantee should be sent to the Beijing headquarters for execution. However, upon information and belief, Li or Jangho did not send the Parental Guarantee to the Beijing headquarters.

24. TPBC and Jangho had multiple discussions in the following months about the Parental Guarantee and the fact that Jangho had not yet executed the Parental Guarantee promised to be provided to TPBC and required by the Subcontract.

25. On November 21, 2013, TPBC sent Jangho a letter again asking for the executed Parental Guarantee from Exhibit G in the Subcontract.

26. In response to a request from TPBC, on November 26, 2013, Jangho provided a Parental Guarantee from Beijing Jangho Curtain Wall System Engineering Co. Ltd. ("Beijing Engineering") dated the same date as the email. TPBC did not understand Beijing Engineering to be the parent corporation of Jangho, nor was Beijing Engineering the corporate entity that Jangho agreed would provide the guarantee or that TPBC agreed to accept the guarantee from.

27. The November 26, 2013 Parental Guarantee that Jangho provided required Beijing Engineering to cover all of Jangho's debts and financials obligations under the Subcontract and all of Jangho's fulfillment or performances of the terms under the Subcontract.

2. Fabrication and Installation Delays

28. Under the Subcontract, Jangho was obligated to complete the design and fabrication of the curtain wall panels and ship sufficient materials to begin installation by August 19, 2013 and complete installation by January 17, 2014. TPBC later agreed to extend the date to begin installation to October 10, 2013.

29. On February 19, 2013, after repeated requests from TPBC, Jangho submitted its first Subcontract schedule showing that the curtain wall work was "on time." However, less than two weeks later, on March 1, 2013, Jangho submitted an updated Subcontract schedule showing a one-month delay.

30. On March 29, 2013, Jangho advised TPBC for the first time that it intended to use a factory in Mexico (which was in the process of being constructed) to assemble the curtain wall, contrary to the original proposal and representations to have the curtain wall panels assembled in in China.

31. In late August 2013, Jangho submitted another Subcontract schedule that showed installation of the curtain wall starting on November 26, 2013 – nearly six weeks late. By this time, Jangho had failed to provide the required glass selection samples in a timely manner, further delaying the Project.

32. On October 10, 2013, TPBC learned that Jangho's installation subcontractor Union County Plate Glass was no longer involved in the Project and that Jangho now planned to self-perform the field installation work, despite earlier representations by Jangho to the contrary.

33. As of November 4, 2013, TPBC estimated that Jangho was more than seven (7) weeks behind schedule and that it could not complete its work per the Subcontract schedule.

Accordingly, by letter dated November 4, 2013, TPBC placed both Jangho and AIG on written notice that Jangho's work was behind schedule and was delaying the Project.

34. By January 2014, Jangho's glass production continued to fall further behind schedule and its on-site installation was delayed. In late January 2014, TPBC learned that Jangho now intended to have some of its curtain wall panels assembled in China (contrary to its March 2013 proposal to have all of the curtain wall panels assembled in Mexico, which itself was contrary to its original proposal and representations to have all of the assembly work performed in China). Jangho's plan to divide the work between facilities in China and Mexico was directly contrary to the Subcontract requirements. Accordingly, TPBC rejected Jangho's proposal.

35. On February 2, 2014, Jangho reaffirmed its commitment to complete its curtain wall work under the Subcontract by May 24, 2014. Jangho, however, failed to meet its obligation to complete its work by May 24, 2014.

3. Failure to Submit Conforming Shop Drawings

36. On April 29, 2013, Jangho submitted its first shop drawings. By email that same day, TPBC advised Jangho that its shop drawings did not include the required seal of a Professional Engineer, in violation of Sections 1.2 and 1.9 of the Specifications.

37. Notwithstanding the express requirements of the Subcontract, Jangho refused to hire an engineer licensed in Pennsylvania to provide the required professional seal for its drawings.

38. Jangho's inability to submit conforming shop drawings continued into the fall of 2013 delaying TPBC's review of Jangho's shop drawings, which, in turn, significantly delayed Jangho's fabrication and installation work.

4. Jangho's Failure to Fabricate Materials with Approved Dimensions

39. In addition to Jangho's other delays on the Project, Jangho failed to fabricate materials with the approved dimensions.

40. As a result of Jangho's defective work, water infiltration through the Jangho curtain wall system occurred in December 2016, and an aluminum framed, glass vent window installed by Jangho fell from the building and landed on the street on January 23, 2017.

41. Jangho and AIG have failed to remedy these defects.

D. Jangho's Abandonment of the Project

42. On August 13, 2014, Jangho advised TPBC that it was abandoning the Project, with significant work remaining to be completed under the Subcontract: "Jangho has reluctantly made the decision that it cannot continue to prosecute the remainder of its work. As you are by now aware, instructions have issued to Jangho crew members on site to complete all pending work and remove all equipment by close of business Thursday August 14, 2014."

43. On August 14, 2014, TPBC confirmed that Jangho had abandoned the Project without completing its work and provided Jangho with notice of default as a result of its material breach of Article 6.1 of the Subcontract, which requires Jangho to "maintain the progress of the work." TPBC directed Jangho to cure its default within three working days. AIG, Jangho's surety, was copied on TPBC's August 14, 2014 default notice.

44. On August 20, 2014, TPBC terminated Jangho for failing to cure its defaults and advised both Jangho and AIG that it intended to hold them responsible for all costs arising out of Jangho's default and termination under the Subcontract.

45. AIG appointed Jangho as a replacement subcontractor to complete the remaining scope of work under the Subcontract. TPBC agreed with AIG's appointment of Jangho as the replacement subcontractor.

E. Li Starts a Different, but Identical Curtain Wall Corporation and the Tolling Agreement

46. On April 29, 2015, Li started a different, but identical curtain wall corporation, Elicc. Both Jangho and Elicc are registered as corporations in Nevada.

47. Like Jangho, according to its website, Elicc is part of group that includes curtain wall companies in China, Canada, the United States and Mexico.

48. According to public records, Li is also the President, Secretary, Treasurer and Director for Elicc.

49. According to its website, Elicc's business address is the same as Jangho's registered address.

50. In 2015, TPBC, Jangho, Li and AIG entered into discussions regarding the resolution of TPBC's claims. While the parties attempted to resolve TPBC's claims, Jangho, Li or AIG never once informed TPBC that Li had started a new company, Elicc, which was identical to Jangho.

51. Upon information and belief, Li started Elicc to allow Jangho to avoid any liabilities or judgments relating to its previous operations, including its contractual relationship with TPBC.

F. AIG Breaches its Bond Obligations

52. Under the Subcontract, Jangho was required to provide a performance bond and a labor and materials payment bond for the Project curtain wall work.

53. AIG issued the performance and labor and material payment bonds on behalf of Jangho, each in the principal amount of $21 million.

54. In particular, by Subcontractor Performance Bond # 915635 dated December 28, 2012 (the "Performance Bond") and Subcontractor Labor and Material Payment Bond # 915635 dated December 28, 2012 (the "Payment Bond") AIG guaranteed Jangho's performance of the work and payment of subcontractors, suppliers and laborers.

55. TPBC is an obligee under the Performance and Payment Bonds.

56. On August 20, 2014, TPBC demanded that AIG, in accordance with its obligations under the Performance and Payment Bonds, take the necessary steps to arrange to have Jangho's work under the Subcontract completed. With TPBC's consent, AIG arranged for Jangho, as a replacement subcontractor appointed by AIG, to complete the remaining scope of work under the Subcontract.

57. TPBC provided notice to AIG of Jangho's material breaches and defaults on the Project and demanded that AIG complete Jangho's work and/or reimburse TPBC for the costs incurred by TPBC due to Jangho's defaults and material breaches on the Project.

58. AIG has failed to reimburse TPBC for the costs incurred as a result of Jangho's default and has failed to remedy Jangho's defective work and warranty obligations.

G. TPBC's Damages

59. As a result of Jangho's material breaches of the Subcontract, TPBC has incurred damages to date in an amount in excess of $5.7 million.

60. In addition, some of TPBC's other subcontractors on the Project have asserted claims against TPBC arising out of Jangho's delays and disruptions on the Project in an amount in excess of $6.1 million.

COUNT I
BREACH OF CONTRACT AGAINST JANGHO

61. The averments of the preceding paragraphs are incorporated by reference as if fully set forth herein.

62. TPBC and Jangho are parties to the Subcontract.

63. Under the Subcontract, Jangho was obligated to complete the design and fabrication of the curtain wall work and begin installation of the curtain wall by October 10, 2013 and complete installation by January 17, 2014.

64. Jangho was further obligated to provide a Parental Guarantee executed by Beijing Curtain Wall.

65. Jangho was further obligated to provide shop drawings sealed by an engineer licensed in Pennsylvania.

66. Jangho failed to complete the curtain wall installation by January 17, 2014 and abandoned the Project on August 14, 2014.

67. Jangho failed to provide a Parental Guarantee executed by Beijing Curtain Wall.

68. Jangho failed to provide shop drawings sealed by an engineer licensed in Pennsylvania.

69. Jangho has wholly failed and refused to comply with the specific promises and obligations under the Subcontract.

70. TPBC incurred damages in that proximately resulted from Jangho's breach of contract.

71. Jangho is liable to TPBC for all damages proximately caused by Jangho's breach of contract.

WHEREFORE, TPBC prays for judgment in its favor and against Jangho for all damages proximately caused by Jangho as a result of Jangho's breach of contract together with punitive damages, pre- and post-judgment interest thereon, costs, expenses, attorney's fees and such other relief as the Court deems just and proper.

COUNT II
BREACH OF WARRANTY AGAINST JANGHO

72. The averments of the preceding paragraphs are incorporated by reference as if fully set forth herein.

73. TPBC and Jangho are parties to the Subcontract.

74. Under the Subcontract, Jangho guaranteed that all labor, materials, equipment, services and work furnished under the Subcontract against all defects.

75. Jangho agreed to remove, repair and/or replace any and all defective workmanship, materials, equipment and work.

76. Jangho has wholly failed and remove, repair and/or replace the defective workmanship, materials, equipment and work.

77. TPBC incurred damages that proximately resulted from Jangho's breach of warranty.

78. Jangho is liable to TPBC for all damages proximately caused by Jangho's breach of warranty.

WHEREFORE, TPBC prays for judgment in its favor and against for all damages proximately caused by Jangho as a result of Jangho's breach of warranty together with punitive damages, pre- and post-judgment interest thereon, costs, expenses, attorney's fees and such other relief as the Court deems just and proper.

COUNT III
PIERCING THE CORPORATE VEIL/ALTER EGO AGAINST JANGHO, LI AND ELICC

79. The averments of the preceding paragraphs are incorporated by reference as if fully set forth herein.

80. Li is a principal and/or agent of Jangho and Elicc.

81. Upon information and belief, Li maintains control over and/or has a controlling interest in Jangho and Elicc.

82. Upon information and belief, Li operated Jangho and Elicc without due regard for corporate or entity formalities.

83. Jangho and Elicc share a common address.

84. Upon information and belief, Jangho, Li and Elicc commingled funds and are alter egos of themselves and of one another.

85. Upon information and belief, Jangho, Li and Elicc conducted business individually in such a way, intentionally or negligently and/or without regard to corporate or entity formalities, as to hinder creditors like TPBC.

86. Upon information and belief, Jangho, Li and Elicc undercapitalized Jangho.

87. Upon information and belief, Jangho is a “shell” entities used to personally protect Li and/or the parent corporations of Jangho and Elicc.

88. Upon information and belief, Jangho is a sham, constituting a façade for the operations of the Li or Elicc.

89. Upon information and belief, Li has treated Jangho and Elicc as a single entity.

90. Li and Elicc are liable to TPBC for all damages proximately caused by Li and Elicc.

WHEREFORE, TPBC prays for judgment in its favor and against Jangho, Li and Elicc for all damages proximately caused by Jangho, Li and Elicc together with punitive damages, pre- and post-judgment interest thereon, costs, expenses, attorney's fees and such other relief as the Court deems just and proper.

COUNT IV
BREACH OF PERFORMANCE AND PAYMENT BONDS AGAINST AIG

91. The averments of the preceding paragraphs are incorporated by reference as if fully set forth herein.

92. The Performance and Payment Bonds are valid and enforceable contracts.

93. Under the express terms of the Performance and Payment Bonds, AIG unconditionally guaranteed Jangho's debts and financials obligations under the Subcontract and all of Jangho's fulfillment or performances of the terms under the Subcontract.

94. Jangho failed to properly perform and complete the Project, committed material breaches and defaults on the Project and, ultimately, abandoned the Project.

95. TPBC is an obligee under the terms of the Performance and Payment Bonds.

96. TPBC incurred damages that proximately resulted from AIG's breach of contract.

97. AIG is liable to TPBC for all damage proximately caused by Jangho's defaults, material breaches and failure to properly perform and complete the Project.

WHEREFORE, TPBC prays for judgment in its favor and against AIG for all damages proximately caused by AIG as a result of Jangho's defaults, material breaches and failure to properly perform and complete the Project together with punitive damages, pre- and post-judgment interest thereon, costs, expenses, attorney's fees and such other relief as the Court deems just and proper.

JURY TRIAL DEMANDED

Dated: July 11, 2017

Respectfully submitted,

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